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LIMITED OFFICIAL USE KHARTOUM 16415

ROME FOR FODAG
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E.O. 12356: NA
 TAGS: SREF, EAID, UNHCR, SU, US
 SUBJECT: ETHIOPIAN REFUGEES: FOOD SITUATION IN EASTERN
 SUDAN

1. SUMMARY: THIS TELEGRAM ATTEMPTS TO MAKE SOME SENSE OUT OF A VERY COMPLEX AND CONFUSING SITUATION CONCERNING THE AVAILABILITY OF CEREALS IN EASTERN REGION OF SUDAN FOR BOTH THE LOCAL POPULATION AND ETHIOPIAN REFUGEES. THE INFORMATION, WHICH WAS COLLECTED BY DCM WHILE ACCOMPANYING CODEL HADSON ON VISIT TO KASSALA AREA, DEALS PRIMARILY WITH THE SHORT-TERM, I.E., APPROXIMATELY THE NEXT SIX WEEKS. IT ALSO HAS IMPLICATIONS FOR THE MEDIUM- AND LONG-TERM SITUATION. IN A WORD, THE CEREAL SITUATION IS BAD. WITH LUCK AND AN EXTRAORDINARY EFFORT BY THE GOS AND INTERNATIONAL AGENCY OFFICIALS, HOWEVER, IT WILL BE POSSIBLE TO PROVIDE A MINIMAL SUPPLY OF CEREALS TO REFUGEES UNTIL THE MEDIUM-TERM PIPELINE BEGINS DISGORGING GRAIN FOR THE REFUGEE CAMPS. THE LOCAL POPULATION, AT LEAST IN THE KASSALA/GEDAREF AREA, DOES NOT FACE A CRISIS IN THE COMING WEEKS. THEIR PRIMARY CONCERN IS THE FEAR THAT THE PRICE OF GRAIN WILL BE DRIVEN UP SUBSTANTIALLY BY LOCAL PURCHASES FOR USE IN THE REFUGEE CAMPS. THE RED SEA PROVINCE, WHICH IS ALSO A PART OF EASTERN REGION, ON THE OTHER HAND, FACES A SEVERE CEREAL SHORTAGE FOR SIGNIFICANT NUMBERS OF SUDANESE. TRIP TO THE KASSALA AREA DID NOT PERMIT THE COLLECTION OF INFORMATION ON THE PROBLEM IN RED SEA PROVINCE. END SUMMARY

2. STATUS OF FOOD IN REFUGEE CAMPS ON DECEMBER 24:
 BASED ON THE CURRENT NUMBER OF ETHIOPIAN REFUGEES IN THE KASSALA/GEDAREF AREA AS OF DECEMBER 24, THE TOTAL DAILY CEREAL REQUIREMENT FOR REFUGEES IS APPROXIMATELY 100 METRIC TONS. THIS FIGURE WILL, OF COURSE, INCREASE AS ADDITIONAL

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REFUGEES ARRIVE. GOS/UNHCR OFFICIALS ESTIMATED ON DECEMBER 24 THAT THERE IS APPROXIMATELY A TEN-DAY SUPPLY OF GRAIN IN THE KASSALA/GEDAREF AREA FOR USE IN THE REFUGEE CAMPS. UNFORTUNATELY THIS GRAIN IS BADLY DISTRIBUTED. WHILE SOME CAMPS HAVE MORE THAN A TEN-DAY SUPPLY, TEKL EL BAAB IS OPERATING ON A DAY-BY-DAY BASIS. THE KASSALA AREA GENERALLY WILL BE OUT OF GRAIN BY DECEMBER 29 WHILE LENTILS WILL NOT RUN OUT UNTIL JANUARY 20. EDIBLE OIL WAS SLATED TO RUN OUT ON DECEMBER 27, ALTHOUGH A UNHCR DC-8 ARRIVED DECEMBER 24 WITH 35 TONS OF OIL. NO ONE REALLY KNOWS WITH PRECISION HOW MUCH FOOD FOR REFUGEES IS IN THE WAREHOUSES AND HOW LONG IT WILL LAST. EVERYONE AGREES, HOWEVER, THAT FOOD IS IN SHORT SUPPLY; A CRUNCH IS QUICKLY APPROACHING. AT A MINIMUM, IT WOULD SEEM THAT AN ADDITIONAL TWO-THREE THOUSAND METRIC TONS OF CEREALS ARE REQUIRED IN THE KASSALA/GEDAREF AREA DURING JANUARY. AS OF TODAY, IT IS NOT CERTAIN THAT THIS QUANTITY HAS BEEN IDENTIFIED FOR ARRIVAL DURING JANUARY.

3. SHORT-TERM GRAIN ARRIVALS: THIS TWO-THREE THOUSAND TON JANUARY DEFICIT CAN BE REDUCED IN THE FOLLOWING MANNER. THROUGH A COMPLICATED TRANSFER/DIVERSION ARRANGEMENT, UNHCR EXPECTS TO RECEIVE IN THE COMING DAYS 500 TONS OF SORGHUM NOW IN PORT SUDAN. APPROXIMATELY 250 TONS WILL GO TO THE GEDAREF AREA AND 250 TONS TO THE KASSALA AREA. THIS MAY BE THE FIRST NEW SHIPMENT TO REACH THE KASSALA/GEDAREF AREA. UNHCR IS CURRENTLY NEGOTIATING TO PURCHASE 400 TONS OF SORGHUM FROM LOCAL MERCHANTS IN THE EASTERN REGION. UNHCR DEPUTY REPRESENTATIVE STEFAN BODEMAR TOLD DCM DECEMBER 24 THAT THIS 400-TON PURCHASE HAD BEEN ACCOMPLISHED AT .95 AND .96 SUDANESE POUNDS PER 90-KILO SACK. UNHCR RESIDENT REPRESENTATIVE NICHOLAS MORRIS REPORTED TO DCM ON DECEMBER 26 THAT PURCHASE HAD NOT YET BEEN COMPLETED AND PRICE PER SACK HAD JUMPED TO 1.05 SUDANESE POUNDS. (MORE ON PROBLEM SURROUNDING LOCAL GRAIN PURCHASES LATER.) IN ANY EVENT, UNHCR STILL ANTICIPATES THAT IT WILL BE ABLE TO PURCHASE AND DISTRIBUTE 400 METRIC TONS OF SORGHUM TO REFUGEE CAMPS IN EARLY JANUARY. USAID HAS REQUESTED GOS AUTHORIZATION TO RELEASE 500,000 SUDANESE POUNDS FROM ITS LOCAL CURRENCY ACCOUNT IN ORDER TO PURCHASE APPROXIMATELY 600 METRIC TONS OF GRAIN IN CENTRAL OR EASTERN REGIONS FOR USE IN REFUGEE CAMPS. IN SPITE OF FREQUENT REMINDERS TO GOS, THE AUTHORIZATION FOR THIS PURCHASE HAS NOT YET BEEN APPROVED BY THE MINISTRY OF FINANCE. NICHOLAS MORRIS ALSO INFORMED DCM DECEMBER 26 THAT UNHCR IS DIVERTING 1,800 TONS OF CEREALS SCHEDULED TO ARRIVE AT PORT SUDAN IN MID JANUARY FOR USE IN THE REFUGEE CAMPS. THIS GRAIN WILL NOT, HOWEVER, BE AVAILABLE IN THE REFUGEE CAMPS UNTIL LATE JANUARY OR EVEN EARLY FEBRUARY. TO OUR KNOWLEDGE, EXCEPT FOR POSSIBLE AIR

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SHIPMENTS, THESE ARE THE ONLY FOOD SUPPLIES DESTINED TO THE REFUGEE CAMPS BETWEEN NOW AND FEBRUARY 1.

4. SURPLUS GRAIN STOCKS IN SUDAN: WE DOUBT THAT THERE ARE ANY RELIABLE FIGURES ON SURPLUS STOCKS IN SUDAN. KNOWLEDGEABLE SUDANESE TELL US THAT ONLY TWO REGIONS -- CENTRAL AND EASTERN -- ARE HOLDING STOCKS WHICH COULD BE PURCHASED FOR USE IN REFUGEE CAMPS. ONE PARTICULARLY KNOWLEDGEABLE EASTERN REGION OFFICIAL TOLD US DECEMBER 25

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THAT HE BELIEVES STOCKS ON HAND IN MERCHANTS' STORES IN EASTERN REGION ARE MINIMAL. HE WOULD NOT, HOWEVER, VENTURE A GUESS AS TO THE QUANTITY NOW AVAILABLE. IT SHOULD BE NOTED THAT GOS OFFICIALS HAVE A VESTED INTEREST IN MINIMIZING THE AMOUNT OF GRAIN AVAILABLE LOCALLY SO AS TO ENCOURAGE DONOR NATIONS AND INTERNATIONAL ORGANIZATIONS TO MAXIMIZE SHIPMENTS ARRIVING FROM OUTSIDE SUDAN.

5. EASTERN REGION CEREAL PRODUCTION FOR CURRENT YEAR: IN ITS RECENT APPEAL FOR DROUGHT-RELIEF SUPPLIES, THE GOS ESTIMATED SORGHUM PRODUCTION IN EASTERN REGION, THE TRADITIONAL GRANARY OF SUDAN, AT 505,000 METRIC TONS. THE ACCURACY OF THIS ESTIMATE IS CRITICAL TO SUDAN'S IMPORTS IN THE COMING YEAR. IT ALSO HAS A MAJOR IMPACT ON THE ABILITY TO PLAN FOR FEEDING ETHIOPIAN REFUGEES IN EASTERN REGION. IT APPEARS THIS ESTIMATE MAY BE WIDE OF THE MARK. MUSTAPHA BASHA, SPEAKER OF THE EASTERN REGION PEOPLE'S ASSEMBLY, A MEMBER OF THE NATIONAL COUNCIL FOR REFUGEES, HEAD OF THE SSU COMMITTEE FOR ECONOMIC DEVELOPMENT IN THE EASTERN REGION, RECIPIENT OF A MASTER'S DEGREE IN RANGE MANAGEMENT FROM UTAH STATE, A PRIVATE FARMER AND THE MOST KNOWLEDGEABLE PERSON ENCOUNTERED BY DCM DURING VISIT TO KASSALA AREA, ESTIMATES THAT TOTAL SORGHUM CROP FOR EASTERN REGION THIS YEAR WILL NOT EXCEED 260,000 METRIC TONS, OR JUST ONE-HALF OF THE OFFICIAL GOVERNMENT ESTIMATE. IT SHOULD BE NOTED THAT EVEN THE GOVERNMENT PROJECTIONS SHOW THE EASTERN REGION AS THE ONLY ONE IN SUDAN WITH A SURPLUS IN 1984. IF BASHA'S FIGURES ARE CORRECT, AND THEY ARE CERTAINLY MORE CURRENT THAN THE GOVERNMENT ESTIMATES, THE EASTERN REGION WILL ALSO BE A FOOD-DEFICIT AREA IN 1984. THAT MEANS THERE WILL BE NO SURPLUS FOR USE IN REFUGEE CAMPS. FOR PLANNING PURPOSES, LOCAL PRODUCTION IN EASTERN REGION SHOULD NOT BE SEEN AS A POTENTIAL SOURCE OF GRAIN FOR USE IN REFUGEE CAMPS. BOTH THE GOVERNMENT AND BASHA CONCUR THAT THERE WILL BE NO REPEAT NO PRODUCTION OF WHEAT IN EASTERN REGION THIS YEAR. BASHA ADDED THAT THE GOS HAS NOT EVEN MADE PROVISION TO OBTAIN SEED SORGHUM FOR THE 1985 CROP. IF THIS IS NOT DONE SOON, 1985 WILL BE AN EVEN GREATER DISASTER THAN 1984.

6. OPTIONS FOR DEALING WITH SHORT-TERM FOOD DEFICIT: THERE ARE BASICALLY THREE WAYS TO MAKE UP THE CEREAL DEFICIT IN THE EASTERN SUDAN REFUGEE CAMPS BETWEEN NOW AND THE END OF JANUARY. THESE ARE LOCAL PURCHASE OF EXISTING SUDANESE STOCKS, DIVERSION OF STOCKS IN THE PIPELINE DESTINED TO OTHER PROGRAMS, AND THE AIRLIFT FROM OVERSEAS OF FOOD STOCKS TO KASSALA AIRPORT. ALL OF THESE OPTIONS HAVE PLUSES AND MINUSES.

7. LOCAL PURCHASE: THERE ARE NO HARD FIGURES ON THE AVAILABILITY OF SURPLUS CEREALS NOW IN STOREHOUSES IN SUDAN. AS NOTED ABOVE, SURPLUS STOCKS EXIST ONLY IN EASTERN AND CENTRAL REGIONS. IT IS NOT THOUGHT THAT THESE STOCKS ARE GREAT. THE GOS CLEARLY WISHES TO MINIMIZE PURCHASE FROM THESE STOCKS TO FEED ETHIOPIAN REFUGEES. IT IS A SIMPLE MATTER OF PRICE AND MARKET DISRUPTION. IF SIGNIFICANT PURCHASES ARE MADE, IT WILL DRIVE UP THE PRICE SUDANESE MUST PAY FOR GRAIN IN SUDAN. IF THE PRICE GOES TOO HIGH, IT WOULD RESULT IN FOOD RIOTS AND INCREASED POLITICAL INSTABILITY IN SUDAN. PROBLEMS ALREADY ENCOUNTERED BY UNHCR AND USAID IN PURCHASING STOCKS LOCALLY FOR THE REFUGEE CAMPS BEAR WITNESS TO GOS RELUCTANCE TO PURSUE THIS OPTION. NOR SHOULD WE RELY ON PURCHASES FROM THE CURRENT SUDANESE GRAIN CROP TO MEET REFUGEE NEEDS. EVERY REGION IN SUDAN, INCLUDING EASTERN, FACES DEFICIT PRODUCTION THIS YEAR. MUSTAPHA BASHA SUGGESTED THAT IF LOCAL PURCHASE IS USED FOR COVERING SHORT-TERM NEEDS IN THE REFUGEE CAMPS, IT BE DONE IN SMALL AMOUNTS, PREFERABLY 100 METRIC TONS AT A TIME, SPACED OUT OVER A NUMBER OF WEEKS. HE ALSO

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URGED THAT THE PURCHASES BE MADE IN BOTH CENTRAL AND
EASTERN REGIONS. IF HIS RECOMMENDATION IS FOLLOWED, WE

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ARE TALKING ABOUT SMALL AMOUNTS OF GRAIN PROCURED BY THIS
OPTION. BASHA INSISTS THAT THIS IS THE ONLY WAY THE LOCAL
GRAIN MARKET WILL NOT BE DISRUPTED.

8. DIVERSION FROM OTHER PROGRAMS: AS NOTED ABOVE, UNHCR
IS IN THE PROCESS OF DIVERTING 500 METRIC TONS OF GRAIN
NOW IN PORT SUDAN. IT IS NOT CLEAR IF THERE ARE OTHER GRAIN
SUPPLIES IN THE PIPELINE THAT CAN BE DIVERTED AND REACH THE
REFUGEE CAMPS BETWEEN NOW AND THE END OF JANUARY. AS
PREVIOUSLY REPORTED, THE FIRST 22,000 METRIC TON TRANCHE
OF USAID-PROVIDED RED SORGHUM HAS ALREADY BEEN DISTRIBUTED
IN WESTERN SUDAN. THE NEXT TRANCHE OF 22,000 METRIC TONS
WILL NOT ARRIVE UNTIL LATE JANUARY/EARLY FEBRUARY.
CONSEQUENTLY, THE DIVERSION OPTION MAY NOT BE VERY HELPFUL
BETWEEN NOW AND THE END OF JANUARY.

9. AIR SHIPMENT TO KASSALA: SOME NON-GRAIN FOOD SUPPLIES
ARE ARRIVING BY AIR AT KASSALA. THIS MAY BE THE BEST
OPTION FOR MEETING SMALL SHORT-TERM DEFICITS OVER THE
NEXT FIVE WEEKS. THE AIR STRIP AT KASSALA CAN EASILY
HANDLE A C-141 OR DC-8. THERE IS, HOWEVER, ONE IMPORTANT
UNRESOLVED ISSUE. CAN THE AIR STRIP SUSTAIN FLIGHTS OF
FULLY LOADED LARGE AIRCRAFT? LOCALLY, WE HAVE BEEN UNABLE
TO OBTAIN AN ANSWER TO THIS QUESTION. WE ARE REQUESTING
BY SEPTEL A TEAM ON THE NEXT US MILITARY FLIGHT INTO
KASSALA TO DO CORE SAMPLES ON THE AIR STRIP. OTHERWISE,
OUR FLIGHTS AND THOSE SPONSORED BY UNHCR COULD CONCEIVABLY
DESTROY THE AIR FIELD. SUSTAINED ARRIVALS AT KASSALA WILL
ALSO REQUIRE THE STATIONING ON A TDY BASIS OF AN OFFLOADING
TEAM. AS IT STANDS, EACH PLANE MUST BRING ITS OWN FORKLIFT.
THIS IS INEFFICIENT. THERE IS NO OFFLOADING CAPABILITY
AT KASSALA EXCEPT FOR HAND LABORERS. THIS MATTER IS ALSO
BEING ADDRESSED SEPTEL.

10. TO FURTHER COMPLICATE THE FOOD AVAILABILITY QUESTION,
DCM WAS RELIABLY INFORMED DURING VISIT TO KASSALA THAT THE
ARMED DISSIDENT GROUPS OPERATING IN ERITREA AND TIGRE
ROUTINELY PURCHASE IN EASTERN SUDAN GRAIN WHICH IS
SUBSEQUENTLY SMUGGLED ACROSS THE BORDER BY TRUCK AND
USED BY ARMED DISSIDENTS INSIDE ETHIOPIA. THE DISSIDENT
GROUPS PAY A PREMIUM FOR THIS GRAIN. NO FIGURES ARE
AVAILABLE ON QUANTITIES PURCHASED.

11. COMMENT: FIGURES ON THE FOOD SITUATION IN EASTERN
SUDAN ARE IMPRECISE. IT WOULD APPEAR, HOWEVER, THAT EVEN
IF THE 500 TONS NOW IN PORT SUDAN AND THE 1,000 TONS
THAT UNHCR (400 TONS) AND USAID (600 TONS) HOPE TO PURCHASE
LOCALLY REACH THE REFUGEE CAMPS IN JANUARY, THERE WILL
STILL BE A CEREAL DEFICIT OF 500-1500 TONS BETWEEN NOW
AND FEBRUARY BASED ON REFUGEES IN THE CAMPS AS OF
DECEMBER 24. IF THE REFUGEE FLOW CONTINUES AT ITS CURRENT
RATE, THIS SHORTFALL WILL BE EVEN GREATER. IF THERE IS,
UNKNOWN TO US, MORE FOOD IN THE PIPELINE SCHEDULED FOR
ARRIVAL IN THE KASSALA/GEDAREF AREA BEFORE THE END OF
JANUARY, THEN THIS SHORTFALL WILL BE LESS. IN OUR VIEW,
HOWEVER, ADDITIONAL GRAIN NEEDS TO BE IDENTIFIED FOR ARRIVAL
BEFORE THE END OF JANUARY. HORAN

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